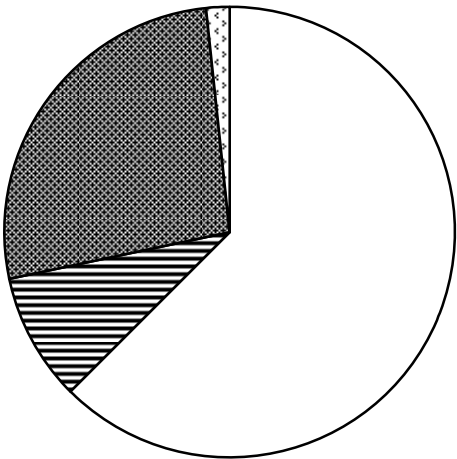


# WATER UTILITY SYSTEM CAPITAL PROGRAM

## 2009-2013 Capital Improvement Program

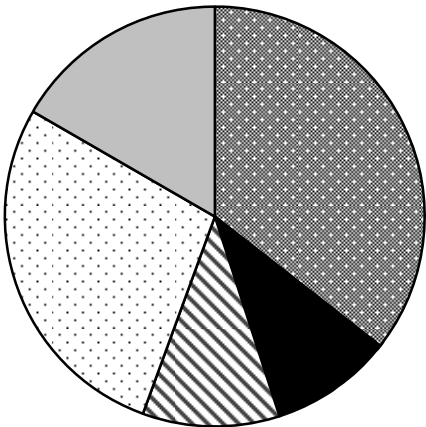
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**2008-2009 Adopted  
Source of Funds**



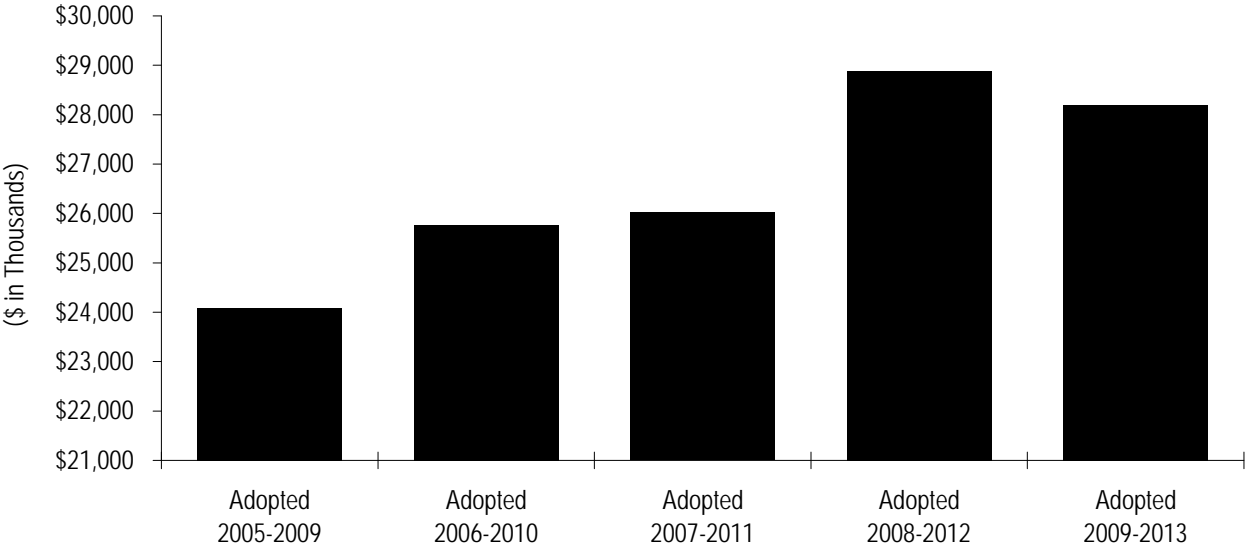
□ Beginning Fund Balance  
 ▨ Taxes, Fees and Charges  
 ▩ Loans & Transfers  
 ▤ Miscellaneous

**2008-2009 Adopted  
Use of Funds**



▩ Construction  
 ■ Non-Construction  
 ▤ Loans and Transfers  
 ▤ Reserves  
 ▨ Ending Fund Balance

**CIP History**

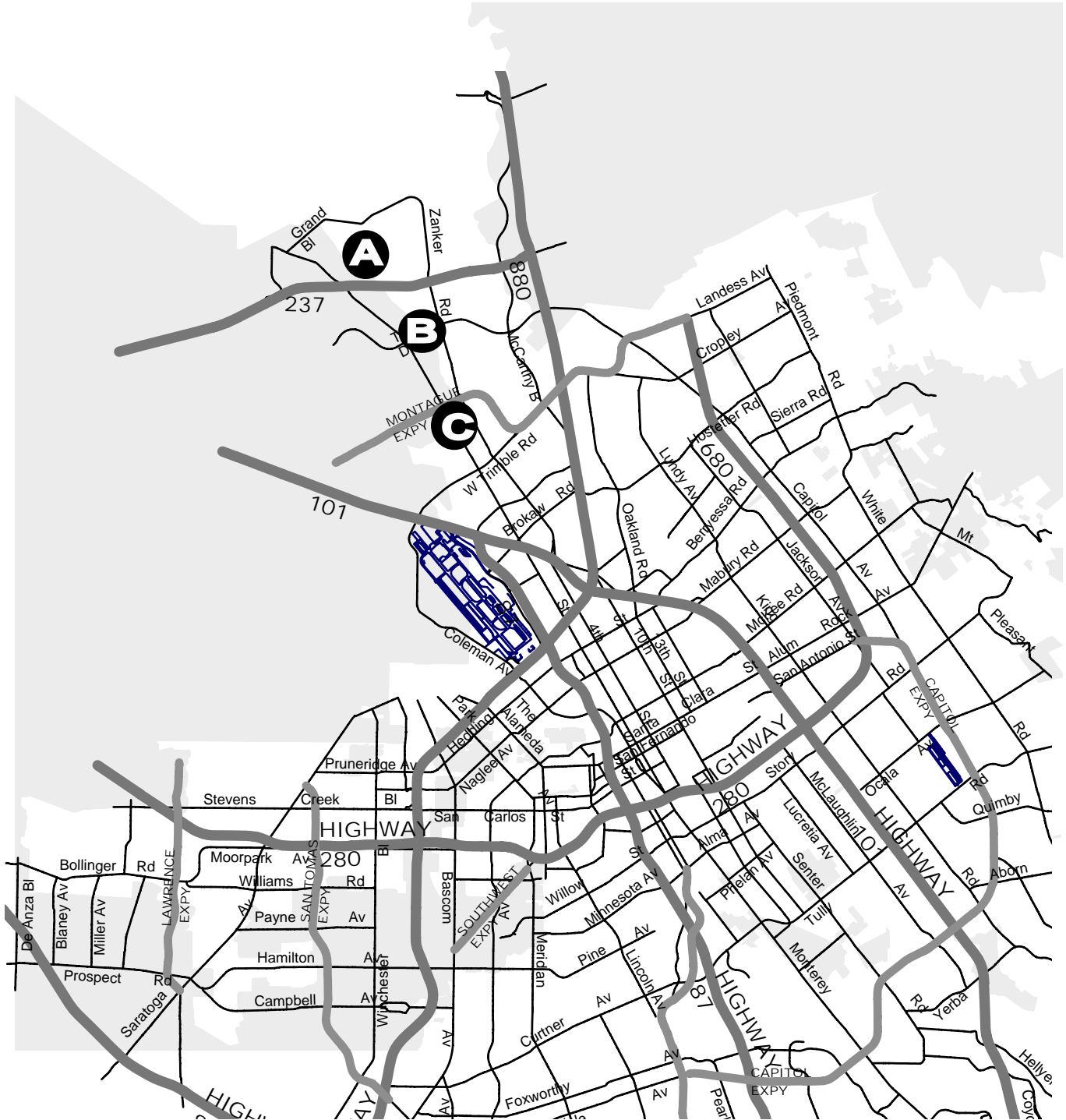


# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### 2008-2009 Project Approximate Locations: (North)

- A)** Nortech Parkway East Loop Main
- B)** North First Street Parallel Main
- C)** Water Valve Rehabilitation



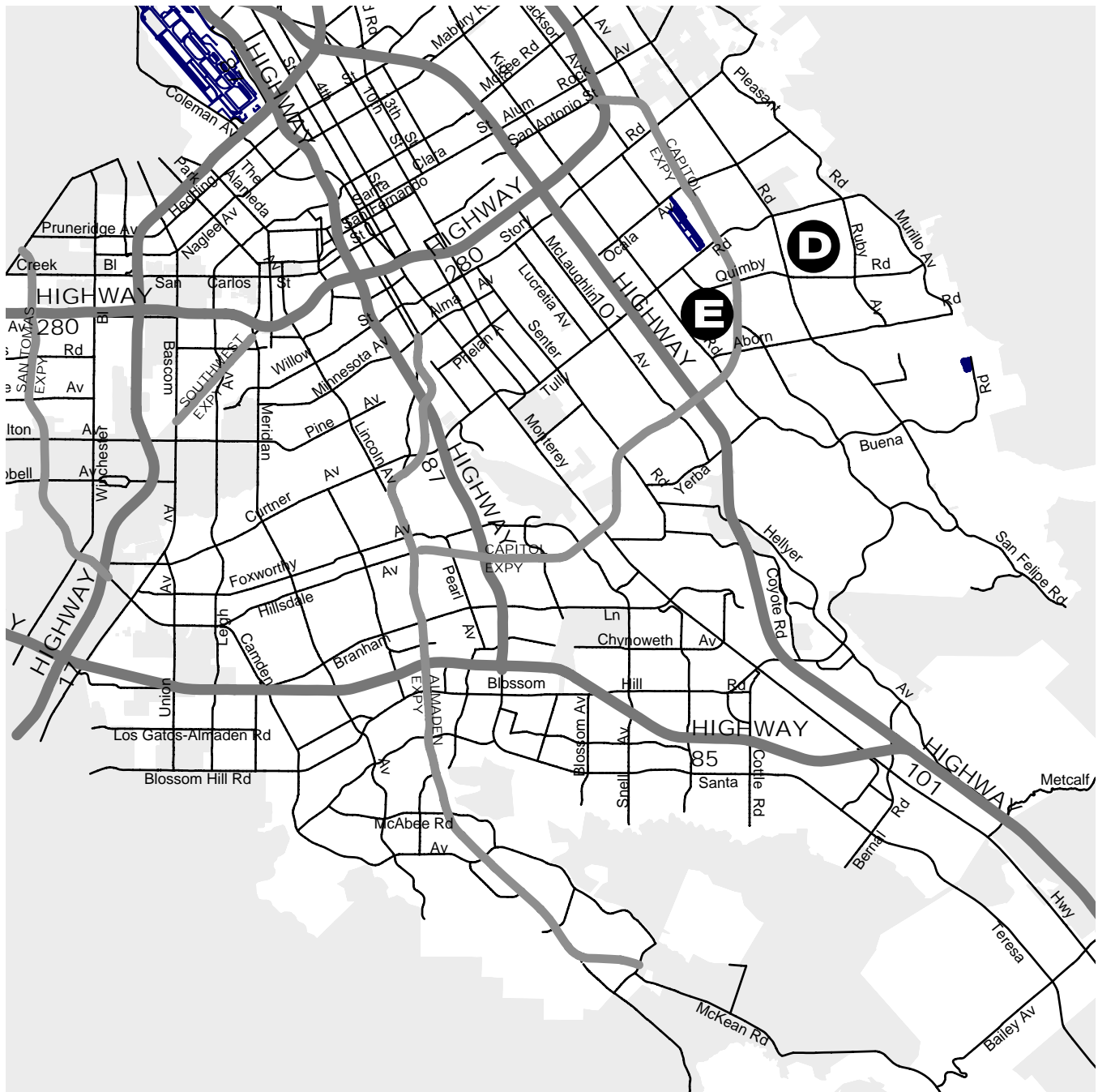
# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### 2008-2009 Project Approximate Locations: (South)

**D)** Norwood Pump Station Replacement

**E)** Water Valve Rehabilitation



# Water Utility System

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## 2009-2013 Adopted Capital Improvement Program

### Overview

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#### Introduction

The Water Utility System Capital Program is developed to ensure reliable utility infrastructure for the San José Municipal Water System. The San José Municipal Water System provides water utility service, in accordance with State of California Department of Health Services requirements, to areas approved for development by the City Council and within the City's water service area. The program's mission is to provide superior water service at competitive rates. The Adopted 2009-2013 Capital Improvement Program (CIP) provides funding of \$28.2 million, of which \$9.8 million is allocated in 2008-2009.

This program is part of the Environmental and Utility Services City Service Area (CSA) and supports the following outcomes: *Reliable Utility Infrastructure* and *Safe, Reliable, Sufficient Water Supply*.

#### Program Priorities and Objectives

Projects are programmed, as funding allows, to provide facilities necessary for new development and to provide the fire flow pressure and volume recommended by the San José Fire Department. Projects in the Adopted 2009-2013 CIP include the construction of new facilities, maintenance of existing infrastructure, and improvements to the Water Utility System facilities. In addition, the Reserve for System Rehabilitation/Replacement Projects continues to accumulate funds for future system needs.

To avoid adverse fund balance impacts, \$500,000 of the Reserve for System Rehabilitation/Replacement required in 2008-

2009 was adopted to be programmed to fund the acceleration of the North First Street Parallel Main Phase III project. Funding for this project, originally programmed in 2009-2010, was approved to be reallocated to replenish the reserve in that year, restoring it to the level required by Ordinance No. 26903. Consistent with Ordinance No. 26903, over the five-year period, this reserve will total \$2.65 million in the 2009-2013 Adopted CIP.

The San José Municipal Water System provides water service to approximately 26,000 customers in five areas within the City of San José: Evergreen, North San José, Alviso, Edenvale, and Coyote. The Evergreen Service Area generally coincides with the boundaries of Council District 8, east of Highway 101. The North San José Service Area is generally north of Trimble Road, between the Guadalupe River and Coyote Creek, and is located in Council District 4. The Alviso Service Area includes the area within the corporate limits of the former City of Alviso, also in District 4. The Edenvale Service Area is south of Hellyer Avenue and east of Coyote Creek, in District 8. The Coyote Service Area (District 2) encompasses the area generally south of Tulare Hill, west of Highway 101, and north of Palm Avenue. Overall, the system growth rate was approximately 0.1% in 2006-2007. This overall growth rate is anticipated to remain at approximately 0.1% in 2007-2008.

#### Sources of Funding

Revenue for the 2009-2013 Adopted CIP is derived from three sources: transfers from the Water Utility Fund to the Water Utility Capital Fund, which primarily derives its revenue from water sales in the Evergreen, North San José, Alviso, Edenvale, and

# Water Utility System

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## 2009-2013 Adopted Capital Improvement Program

### Overview

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#### Sources of Funding (Cont'd.)

Coyote Valley areas (\$16.3 million), fees (\$4.8 million) and interest earnings (\$930,000). Fee revenue from the Major Facilities Fund and the Water Utility Capital Fund consists of Service Connection Fees (\$1.9 million), Advanced System Design Fees (\$1.3 million), Meter Installation Fees (\$1.1 million) and Major Water Facilities Fees (\$500,000). All fee revenues are paid to the City by developers. Revenue projections for Advanced System Design Fees and Major Water Facilities Fee has been reduced from the 2008-2012 Adopted CIP due to lower than anticipated development activity.

Over the five years of this Adopted CIP, the funds available for capital improvements are estimated to total \$28.2 million, consisting of \$24.2 million in the Water Utility Capital Fund and \$4.0 million in the Major Facilities Fund. This represents a \$700,000 decrease from the 2008-2012 Adopted CIP. The decrease reflects the normal fluctuation in the capital investment level required to maintain the system in good to excellent condition. The Adopted CIP continues to reflect the annual loan repayment to the Sewage Treatment Plant Connection Fee Fund for the North Coyote Valley Water System and payment to the City Hall Debt Service Fund. Over the five years, this combined loan repayment with interest totals \$4.3 million, completing the loan repayment in 2012-2013.

#### Program Highlights

##### Evergreen Service Area

The Evergreen Service Area contains approximately 92 percent of the total customers served by the water system. These

customers account for 72 percent of the total water usage in the system. The new residential development rate in Evergreen remained at approximately 0.2% last year and is expected to increase to approximately 0.5% for the next two years.

To meet the service needs of new developments in the Evergreen Area, the program continues its policy of requiring developers to construct distribution system improvements such as pipelines, service connections, and fire hydrants. Reservoirs and pump stations, and other large facilities, are either constructed by developers or funded from the Major Facilities Fund revenues and are constructed by the Municipal Water System, as funds are available. Construction and reconstruction of projects for existing customers are funded from water sale revenue.

Projects scheduled in the Evergreen Service Area include completion of the Water Valve Rehabilitation project. In addition, Bon Bon Drive Main, Castleton Drive Main, Peppermint Drive Main and Gumdrop Drive Main are all scheduled for replacement in this CIP.

##### North San José and Alviso Service Areas

The City is a partner with 29 other suburban agencies to the Master Contract Agreement (MCA) with the City of San Francisco for water supplied by the Hetch-Hetchy system that will expire June 30, 2009. Under the Interim Water Shortage Allocation Plan developed by the parties to the MCA and approved by the City Council in April of 2001, the City is now a *non-interruptible* customer for the balance of the term of the MCA. Under this plan, in the event of a

# Water Utility System

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## 2009-2013 Adopted Capital Improvement Program

### Overview

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#### Program Highlights (Cont'd.)

##### North San José and Alviso Service Areas (Cont'd.)

drought, the Municipal Water System would receive an average of 2.65 million gallons of Hetch-Hetchy water per day. This is a 39% reduction from current deliveries but is essentially the same quantity of water the System is entitled to receive at minimum under the current MCA. Negotiations for a new MCA are currently underway. The City has four wells in North San José that could provide backup supply in the event Hetch-Hetchy deliveries are reduced.

The North San José/Alviso area experienced considerable industrial and commercial growth in the last several years and this trend is expected to continue, although at a lower rate. In addition to this trend, a rise in residential growth is now expected.

Projects scheduled in the North San José and Alviso service areas include the Water Valve Rehabilitation project, North First Street Parallel Main Phase III, and the Nortech Parkway East Loop Main design.

##### Edenvale Service Area

This industrial section of San José is within the expanded Edenvale Redevelopment Project area. Basic water facilities for domestic supply and fire protection for the area north of Silver Creek Valley Road include three wells and a reservoir.

##### Coyote Service Area

City funding for developer constructed water facilities in the primarily industrial North Coyote Valley Service Area was provided in

accordance with the Master Development Agreement. A loan from the Sewage Treatment Plant Connection Fee Fund provided the initial funding for the North Coyote Valley Water System project. The repayment of the loan was approved to increase by \$300,000 in 2008-2009 to \$1 million annually until 2012-2013, when the loan will be fully repaid.

#### Major Changes from the 2008-2012 Adopted CIP

Major changes from the 2008-2012 Adopted CIP include the following:

- Additional funding in the amount of \$1.2 million to fund the Peppermint Drive Main Replacement project.
- Additional funding in the amount of \$700,000 for Loan Repayment to the Sewage Treatment Plant Connection Fee Fund to accelerate the repayment.
- Reduction of \$450,000 for Advance System Design project due to lower development activities anticipated.
- Additional funding of \$69,000 for Public Art.
- North First Street Parallel Main (Phase III) project was accelerated from 2009-2010 to 2008-2009 due to the breaks in the main. The reserve for System Rehabilitation/ Replacement was approved to be reduced by \$500,000 in 2008-2009 and the Nortech Parkway Loop main project was postponed to fund the acceleration of this project. Funding in the reserve was approved to be restored in 2009-2010.

# **Water Utility System**

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## **2009-2013 Adopted Capital Improvement Program**

### **Overview**

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#### **Operating Budget Impact**

There are no additional maintenance and operating costs associated with the projects in the 2009-2013 Adopted CIP.

#### **Council Approved Revisions to the Proposed Capital Improvement Program**

During the June budget hearings, the Council approved the rebudgeting of \$371,000 for four projects: Security Improvements (\$190,000), Norwood Pump Station Replacement (\$100,000), Water Valve Rehabilitation (\$75,000) and Public Art (\$6,000).

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Source of Funds**

	<u>Estimated</u> <u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>5-Year</u> <u>Total</u>
<b><u>SOURCE OF FUNDS</u></b>							
<b><u>Water Utility Capital Fund</u></b>							
<b>Beginning Fund Balance</b>	3,829,708	3,102,791	472,791	778,791	847,791	1,102,791	3,102,791 *
<b>Taxes, Fees &amp; Charges:</b>							
<u>Water Utility Fees</u>							
– Advance System Design Fees	250,000	240,000	250,000	260,000	270,000	280,000	1,300,000
– Meter Installation Fees	175,000	200,000	200,000	200,000	225,000	225,000	1,050,000
– Service Connection Fees	360,000	370,000	380,000	390,000	400,000	400,000	1,940,000
<b>Contributions, Loans and Transfers from:</b>							
<u>Special Funds</u>							
– Transfer from Water Utility Fund	2,611,000	2,598,000	3,661,000	3,472,000	3,812,000	2,800,000	16,343,000
<b>Interest Income</b>	153,000	94,000	79,000	97,000	107,000	125,000	502,000
<b>Reserve for Encumbrances</b>	1,075,083						
<b>Total Water Utility Capital Fund</b>	<b>8,453,791</b>	<b>6,604,791</b>	<b>5,042,791</b>	<b>5,197,791</b>	<b>5,661,791</b>	<b>4,932,791</b>	<b>24,237,791 *</b>
<b><u>Major Facilities Fund</u></b>							
<b>Beginning Fund Balance</b>	3,281,894	3,022,735	1,168,735	1,016,735	1,183,735	1,356,735	3,022,735 *
<b>Taxes, Fees &amp; Charges:</b>							
<u>Major Water Facilities Fees</u>	150,000	100,000	100,000	100,000	100,000	100,000	500,000
<b>Interest Income</b>	172,000	72,000	89,000	83,000	89,000	95,000	428,000
<b>Reserve for Encumbrances</b>	115,841						
<b>Total Major Facilities Fund</b>	<b>3,719,735</b>	<b>3,194,735</b>	<b>1,357,735</b>	<b>1,199,735</b>	<b>1,372,735</b>	<b>1,551,735</b>	<b>3,950,735 *</b>



**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Source of Funds**

<b><u>SOURCE OF FUNDS</u></b> (CONT'D.)	<b><u>Estimated 2007-2008</u></b>	<b><u>2008-2009</u></b>	<b><u>2009-2010</u></b>	<b><u>2010-2011</u></b>	<b><u>2011-2012</u></b>	<b><u>2012-2013</u></b>	<b><u>5-Year Total</u></b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>12,173,526</b>	<b>9,799,526</b>	<b>6,400,526</b>	<b>6,397,526</b>	<b>7,034,526</b>	<b>6,484,526</b>	<b>28,188,526 *</b>

\* The 2009-2010 through 2012-2013 Beginning Balances are excluded from the FIVE-YEAR TOTAL SOURCE OF FUNDS to avoid multiple counting of the same funds.

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**

**Use of Funds**

	<b>Use of Funds</b>						<b>5-Year Total</b>
	<b>Estimated 2007-2008</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	
<b><u>USE OF FUNDS</u></b>							
<b><u>Construction Projects</u></b>							
Bon Bon Drive Main Replacement				65,000	935,000		1,000,000
Castleton Drive Main Replacement			65,000	835,000			900,000
Forestwood Drive Main Replacement	410,000						
Gumdrop Drive Main Replacement						100,000	100,000
Peppermint Drive Main Replacement					65,000	1,200,000	1,265,000
Reservoir Seismic Retrofit	44,000						
Villa Vista Reservoir Rehabilitation	392,000						
1. Infrastructure Improvements	797,000	440,000	460,000	480,000	500,000	520,000	2,400,000
2. Meter Installations	300,000	320,000	320,000	320,000	340,000	340,000	1,640,000
3. Nortech Parkway East Loop Main		100,000	650,000				750,000
4. North Coyote Valley Water System		170,000					170,000
5. North First Street Parallel Main		1,500,000					1,500,000
6. Norwood Pump Station Replacement	1,270,000	150,000					150,000
7. Public Art		37,000	16,000	21,000	23,000	26,000	123,000
8. Security Improvements	10,000	190,000					190,000
9. Service Installations	749,000	410,000	420,000	430,000	440,000	450,000	2,150,000
10. Water Valve Rehabilitation	275,000	175,000					175,000
<b>Total Construction Projects</b>	<b>4,247,000</b>	<b>3,492,000</b>	<b>1,931,000</b>	<b>2,151,000</b>	<b>2,303,000</b>	<b>2,636,000</b>	<b>12,513,000</b>

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**

**Use of Funds**

<b>USE OF FUNDS</b> (CONT'D.)	<b>Estimated 2007-2008</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>5-Year Total</b>
<b><u>Non-Construction</u></b>							
<b>General Non-Construction</b>							
CIP Action Team	2,000						
Evergreen Hydraulic Model	62,000						
Major Water Facility Fee Update	80,000						
11. Advance System Design	250,000	240,000	250,000	260,000	270,000	280,000	1,300,000
12. Major Facilities Fee Administration	15,000	15,000	15,000	15,000	15,000	15,000	75,000
13. Master Plan Engineering	103,000	85,000	90,000	95,000	100,000	100,000	470,000
14. Network System Flow Improvements	32,000	5,000	6,000	6,000	6,000	6,000	29,000
15. Preliminary Engineering	65,000	65,000	70,000	75,000	80,000	85,000	375,000
16. System Maintenance/Repairs	483,000	520,000	540,000	560,000	580,000	600,000	2,800,000
<b>Total General Non-Construction</b>	<b>1,092,000</b>	<b>930,000</b>	<b>971,000</b>	<b>1,011,000</b>	<b>1,051,000</b>	<b>1,086,000</b>	<b>5,049,000</b>
<b>Contributions, Loans and Transfers to Special Funds</b>							
Transfer to the City Hall Debt Service Fund	9,000	10,000	10,000	10,000	11,000	9,000	50,000
17. Loan Repayment to Sewage Treatment Plant Connection Fee Fund	700,000	1,000,000	1,000,000	1,000,000	1,000,000	200,000	4,200,000
<b>Total Contributions, Loans and Transfers to Special Funds</b>	<b>709,000</b>	<b>1,010,000</b>	<b>1,010,000</b>	<b>1,010,000</b>	<b>1,011,000</b>	<b>209,000</b>	<b>4,250,000</b>
<b>Reserves</b>							
18. Reserve for System Growth Related Projects		1,400,000					1,400,000
19. Reserve for System Rehabilitation/Replacement		1,326,000	693,000	194,000	210,000	230,000	2,653,000
<b>Total Reserves</b>		<b>2,726,000</b>	<b>693,000</b>	<b>194,000</b>	<b>210,000</b>	<b>230,000</b>	<b>4,053,000</b>

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**

**Use of Funds**

<b>USE OF FUNDS</b> (CONT'D.)	<b>Estimated 2007-2008</b>	<b>2008-2009</b>	<b>2009-2010</b>	<b>2010-2011</b>	<b>2011-2012</b>	<b>2012-2013</b>	<b>5-Year Total</b>
<b><u>Non-Construction</u></b>							
<b>Total Non-Construction</b>	<b>1,801,000</b>	<b>4,666,000</b>	<b>2,674,000</b>	<b>2,215,000</b>	<b>2,272,000</b>	<b>1,525,000</b>	<b>13,352,000</b>
<b>Ending Fund Balance</b>	<b>6,125,526</b>	<b>1,641,526</b>	<b>1,795,526</b>	<b>2,031,526</b>	<b>2,459,526</b>	<b>2,323,526</b>	<b>2,323,526*</b>
<b>TOTAL USE OF FUNDS</b>	<b>12,173,526</b>	<b>9,799,526</b>	<b>6,400,526</b>	<b>6,397,526</b>	<b>7,034,526</b>	<b>6,484,526</b>	<b>28,188,526*</b>

\* The 2008-2009 through 2011-2012 Ending Balances are excluded from the FIVE-YEAR TOTAL USE OF FUNDS to avoid multiple counting of the same funds.

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**2008-2009 Use of Funds by Funding Source**

	(500) Water Utility Capital Fund	(502) Major Facilities Fund	Total
<b>TOTAL RESOURCES</b>	<b>6,604,791</b>	<b>3,194,735</b>	<b>9,799,526</b>
<b><u>Construction Projects</u></b>			
1. Infrastructure Improvements	440,000		440,000
2. Meter Installations	320,000		320,000
3. Nortech Parkway East Loop Main	50,000	50,000	100,000
4. North Coyote Valley Water System	170,000		170,000
5. North First Street Parallel Main	940,000	560,000	1,500,000
6. Norwood Pump Station Replacement	150,000		150,000
7. Public Art	37,000		37,000
8. Security Improvements	190,000		190,000
9. Service Installations	410,000		410,000
10. Water Valve Rehabilitation	175,000		175,000
<b>Total Construction Projects</b>	<b>2,882,000</b>	<b>610,000</b>	<b>3,492,000</b>
<b><u>Non-Construction</u></b>			
11. Advance System Design	240,000		240,000
12. Major Facilities Fee Administration		15,000	15,000
13. Master Plan Engineering	85,000		85,000
14. Network System Flow Improvements	5,000		5,000
15. Preliminary Engineering	65,000		65,000
16. System Maintenance/Repairs	520,000		520,000
	<b>915,000</b>	<b>15,000</b>	<b>930,000</b>
<b>Contributions, Loans and Transfers to</b>			
Transfer to the City Hall Debt Service Fund	9,000	1,000	10,000

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**2008-2009 Use of Funds by Funding Source**

	(500)	(502)	Total
	Water Utility Capital Fund	Major Facilities Fund	
<hr/>			
<b><u>Non-Construction</u></b>			
<b>Contributions, Loans and Transfers to</b>			
17. Loan Repayment to Sewage Treatment Plant Connection Fee Fund	1,000,000		1,000,000
<b>Total Contributions, Loans and Transfers</b>	<b>1,009,000</b>	<b>1,000</b>	<b>1,010,000</b>
<b>Reserves</b>			
18. Reserve for System Growth Related Projects		1,400,000	1,400,000
19. Reserve for System Rehabilitation/Replacement	1,326,000		1,326,000
<b>Total Reserves</b>	<b>1,326,000</b>	<b>1,400,000</b>	<b>2,726,000</b>
<b>Total Non-Construction</b>	<b>3,250,000</b>	<b>1,416,000</b>	<b>4,666,000</b>
<b>Ending Fund Balance</b>	<b>472,791</b>	<b>1,168,735</b>	<b>1,641,526</b>
<b>TOTAL USE OF FUNDS</b>	<b>6,604,791</b>	<b>3,194,735</b>	<b>9,799,526</b>

# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### Detail of Capital Projects

#### 1. Infrastructure Improvements

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation will replace and/or refurbish pumps, motors, valves, electrical control mechanisms, generators, and water mains that are nearing the end of their useful lives. Selection and scope of each year's project will be based on previous year's maintenance needs.

**Justification:** Mechanical equipment requires replacement at the end of its service life.

EXPENDITURE SCHEDULE (000'S)										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Construction		797	797	440	460	480	500	520	2,400	
<b>TOTAL</b>		<b>797</b>	<b>797</b>	<b>440</b>	<b>460</b>	<b>480</b>	<b>500</b>	<b>520</b>	<b>2,400</b>	
FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund		797	797	440	460	480	500	520	2,400	
<b>TOTAL</b>		<b>797</b>	<b>797</b>	<b>440</b>	<b>460</b>	<b>480</b>	<b>500</b>	<b>520</b>	<b>2,400</b>	
ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	5366	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**2. Meter Installations**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation provides funds to purchase, test, and install water meters for new developments and customers.

**Justification:** This allocation is needed to provide service to new customers.

EXPENDITURE SCHEDULE (000'S)										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Construction		300	300	320	320	320	340	340	1,640	
<b>TOTAL</b>		<b>300</b>	<b>300</b>	<b>320</b>	<b>320</b>	<b>320</b>	<b>340</b>	<b>340</b>	<b>1,640</b>	
FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund		300	300	320	320	320	340	340	1,640	
<b>TOTAL</b>		<b>300</b>	<b>300</b>	<b>320</b>	<b>320</b>	<b>320</b>	<b>340</b>	<b>340</b>	<b>1,640</b>	
ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	4347	<b>USGBC LEED:</b>	N/A



# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### Detail of Capital Projects

#### 3. Nortech Parkway East Loop Main

**CSA:** Environmental and Utility Services **Initial Start Date:** 3rd Qtr. 2007  
**CSA Outcome:** Reliable Utility Infrastructure **Revised Start Date:** 3rd Qtr. 2008  
 Safe, Reliable, and Sufficient Water Supply **Initial Completion Date:** 2nd Qtr. 2009  
**Department:** Environmental Services **Revised Completion Date:** 2nd Qtr. 2010  
**Council District:** 4  
**Location:** Nortech Parkway/Route 237

**Description:** This project constructs approximately 1,000 feet of water main connecting the east end of the Nortech Parkway water main with Holger Way water main.

**Justification:** This project provides additional system capacity and reliability to meet the growing needs of the Alviso area.

#### EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Design		100		100					100		100
Bid & Award					5				5		5
Construction					645				645		645
<b>TOTAL</b>		<b>100</b>		<b>100</b>	<b>650</b>				<b>750</b>		<b>750</b>

#### FUNDING SOURCE SCHEDULE (000'S)

Water Utility Capital Fund	50	50	325						375		375
Major Facilities Fund	50		50	325					375		375
<b>TOTAL</b>	<b>100</b>		<b>100</b>	<b>650</b>					<b>750</b>		<b>750</b>

#### ANNUAL OPERATING BUDGET IMPACT (000'S)

None

#### Major Changes in Project Cost:

None

#### Notes:

Project postponed until 2008-2009 to allow accelerated design and construction of North First Street Parallel Main - Phase III.

<b>FY Initiated:</b>	2007-2008	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>	\$750,000	<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	6056, 6059	<b>USGBC LEED:</b>	N/A

# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### Detail of Capital Projects

#### 4. North Coyote Valley Water System

**CSA:** Environmental and Utility Services **Initial Start Date:** 4th Qtr. 1999

**CSA Outcome:** Reliable Utility Infrastructure **Revised Start Date:** 2nd Qtr. 2001

Safe, Reliable, and Sufficient Water Supply **Initial Completion Date:** 2nd Qtr. 2004

**Department:** Environmental Services **Revised Completion Date:** 3rd Qtr. 2008

**Council District:** 2

**Location:** Bailey Avenue/Santa Teresa Boulevard

**Description:** This project provides funds for the rehabilitation of existing wells, installation of well pumps, design and construction of controls, piping, and enclosures at the existing Coyote Valley well sites, and construction of a new reservoir and related piping and appurtenances. The project was completed and in beneficial use in 2004, however remaining funding are allocated in 2008-2009 to fund outstanding project close-out costs.

**Justification:** The existing facilities will be developed to serve projected demands in Coyote Valley consistent with the Master Development Agreement.

#### EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Design	1,199										1,199
Construction	6,716	170		170					170		6,886
<b>TOTAL</b>	<b>7,915</b>	<b>170</b>		<b>170</b>					<b>170</b>		<b>8,085</b>

#### FUNDING SOURCE SCHEDULE (000'S)

Water Utility Capital Fund	7,915	170		170					170		8,085
<b>TOTAL</b>	<b>7,915</b>	<b>170</b>		<b>170</b>					<b>170</b>		<b>8,085</b>

#### ANNUAL OPERATING BUDGET IMPACT (000'S)

None

#### Major Changes in Project Cost:

2005-2009 CIP - increase of \$700,000 to address increased construction costs. Staff has been notified by the developer's project manager that additional funding is required to complete improvements to the third well.

#### Notes:

Debt Service costs that are budgeted separately in this capital program under the "Loan Repayment to the Sewage Treatment Plant Connection Fee Fund" line item reflect the payback of a \$5.1 million loan from the Sewage Treatment Plant Connection Fee Fund, anticipated to be paid in full in 2012-2013. This initial investment will be more than recovered by future revenues, and will positively impact the City in future years.

<b>FY Initiated:</b>	2000-2001	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>	\$7,000,000	<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	6808	<b>USGBC LEED:</b>	N/A

# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### Detail of Capital Projects

#### 5. North First Street Parallel Main

**CSA:** Environmental and Utility Services **Initial Start Date:** 3rd Qtr. 2008  
**CSA Outcome:** Reliable Utility Infrastructure **Revised Start Date:**  
**Department:** Environmental Services **Initial Completion Date:** 3rd Qtr. 2009  
**Council District:** 4 **Revised Completion Date:**  
**Location:** North First Street from Montague Expressway to River Oaks Drive  
**Description:** The entire project will be constructed in segments of approximately 5,000 feet each on North First Street. The current and final phase, Phase III, will extend from Baypoint Drive to Lamplighter Way and will be completed in 2009. Phase III will replace all of the existing techite water main. The estimated end date reflects Phase III of this project.  
**Justification:** The existing techite water main has proven to be unreliable.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Design	39			100					100		139
Construction	1,731			1,400					1,400		3,131
<b>TOTAL</b>	<b>1,770</b>			<b>1,500</b>					<b>1,500</b>		<b>3,270</b>

FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund				940					940		940
Major Facilities Fund	1,770			560					560		2,330
<b>TOTAL</b>	<b>1,770</b>			<b>1,500</b>					<b>1,500</b>		<b>3,270</b>

ANNUAL OPERATING BUDGET IMPACT (000'S)											
None											

#### Major Changes in Project Cost:

1999-2003 CIP - increase of \$2.7 million to reflect scope changes to include additional phases.  
 2006-2010 CIP - decrease of \$300,000 to reflect updated project costs.  
 2008-2012 CIP - increase of \$200,000 to reflect updated project costs.  
 2009-2013 CIP - decrease of \$200,000 to reflect updated project costs.

#### Notes:

The Initial Start/End dates reflect Phase III of the project. Phase III accelerated to 2008-2009 due to multiple breaks and increased maintenance costs.

<b>FY Initiated:</b>	2003-2004	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>	\$900,000	<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	6072	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**6. Norwood Pump Station Replacement**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	3rd Qtr. 2006
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	2nd Qtr. 2008
<b>Council District:</b>	8	<b>Revised Completion Date:</b>	3rd Qtr. 2008
<b>Location:</b>	Norwood Avenue		

**Description:** This project consists of the replacement and upgrade of an existing pump station that will have reached the end of its useful life.

**Justification:** To ensure the efficient operation of the water system, pump stations must be replaced at the end of their useful life. The redesign will improve operating efficiency and system operations.

EXPENDITURE SCHEDULE (000'S)										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Design	23	70	70							93
Construction		1,300	1,200	150					150	1,350
<b>TOTAL</b>	<b>23</b>	<b>1,370</b>	<b>1,270</b>	<b>150</b>					<b>150</b>	<b>1,443</b>

FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund	23	770	670	150					150	843
Major Facilities Fund		600	600							600
<b>TOTAL</b>	<b>23</b>	<b>1,370</b>	<b>1,270</b>	<b>150</b>					<b>150</b>	<b>1,443</b>

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**

2009-2013 CIP - increase of \$593,000 due to higher than expected project bids.

**Notes:**

<b>FY Initiated:</b>	2006-2007	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>	\$850,000	<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	5519	<b>USGBC LEED:</b>	N/A

# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### Detail of Capital Projects

#### 7. Public Art

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	City-wide	<b>Revised Completion Date:</b>	
<b>Location:</b>	City-wide		

**Description:** This allocation funds the construction and administration of public art in the Water Utility System Capital Program. In compliance with the Council adoption of the revised Public Art Master Plan on March 13, 2007, one percent of all construction project funding is required to be allocated to public art, excluding funding for seismic and ADA retrofits, maintenance and operations, non-construction projects (such as studies), or affordable housing. Projects where public art allocations were previously programmed or appropriated are not subject to the revisions of the Public Art Master Plan. Expenditures in this allocation will be subject to the legal revenue restrictions for the use of this funding on public art.

**Justification:** This allocation is required to comply with the revisions to the Public Art Master Plan adopted by the City Council on March 13, 2007.

#### EXPENDITURE SCHEDULE (000'S)

Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Public Art		6		37	16	21	23	26	123		
<b>TOTAL</b>		<b>6</b>		<b>37</b>	<b>16</b>	<b>21</b>	<b>23</b>	<b>26</b>	<b>123</b>		

#### FUNDING SOURCE SCHEDULE (000'S)

Water Utility Capital Fund	6		37	16	21	23	26	123
Major Facilities Fund								
<b>TOTAL</b>	<b>6</b>		<b>37</b>	<b>16</b>	<b>21</b>	<b>23</b>	<b>26</b>	<b>123</b>

#### ANNUAL OPERATING BUDGET IMPACT (000'S)

None

#### Major Changes in Project Cost:

N/A

#### Notes:

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	5953	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**8. Security Improvements**

**CSA:** Environmental and Utility Services **Initial Start Date:** 3rd Qtr. 2004  
**CSA Outcome:** Reliable Utility Infrastructure **Revised Start Date:**  
 Safe, Reliable, and Sufficient Water Supply **Initial Completion Date:** 2nd Qtr. 2007  
**Department:** Environmental Services **Revised Completion Date:** 3rd Qtr. 2008  
**Council District:** 2, 4, 7, 8  
**Location:** System-wide

**Description:** This project includes the installation of additional security equipment at various system facilities.

**Justification:** This project is necessary due to changes in federal requirements regarding water system security.

EXPENDITURE SCHEDULE (000'S)										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Design	8									8
Construction	215	200	10	190					190	415
<b>TOTAL</b>	<b>223</b>	<b>200</b>	<b>10</b>	<b>190</b>					<b>190</b>	<b>423</b>

FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund	223	200	10	190					190	423
<b>TOTAL</b>	<b>223</b>	<b>200</b>	<b>10</b>	<b>190</b>					<b>190</b>	<b>423</b>

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**

None

**Notes:**

**FY Initiated:** 2004-2005 **Redevelopment Area:** N/A  
**Initial Project Budget:** \$450,000 **SNI Area:** N/A  
**Appn. #:** 4299 **USGBC LEED:** N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**9. Service Installations**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation provides funding for the installation of connections between water mains and meters, and the extension of existing water mains.

**Justification:** As development proceeds in the City, connections between water mains and meters are required to service new customers.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Construction		749	749	410	420	430	440	450	2,150		
<b>TOTAL</b>		<b>749</b>	<b>749</b>	<b>410</b>	<b>420</b>	<b>430</b>	<b>440</b>	<b>450</b>	<b>2,150</b>		
FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		749	749	410	420	430	440	450	2,150		
<b>TOTAL</b>		<b>749</b>	<b>749</b>	<b>410</b>	<b>420</b>	<b>430</b>	<b>440</b>	<b>450</b>	<b>2,150</b>		
ANNUAL OPERATING BUDGET IMPACT (000'S)											
None											

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	4348	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**10. Water Valve Rehabilitation**

**CSA:** Environmental and Utility Services **Initial Start Date:** 3rd Qtr. 2005  
**CSA Outcome:** Reliable Utility Infrastructure **Revised Start Date:**  
**Department:** Environmental Services **Initial Completion Date:** 3rd Qtr. 2006  
**Council District:** 2, 4, 7, 8 **Revised Completion Date:** 3rd Qtr. 2008  
**Location:** System-wide

**Description:** This project will locate and exercise all water valves in the field, plot their location, and replace malfunctioning valves.

**Justification:** Valves must be exercised periodically to insure functionality in case of emergency.

<b>EXPENDITURE SCHEDULE (000'S)</b>										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Design	23									23
Construction	186	350	275	175				175		636
<b>TOTAL</b>	<b>209</b>	<b>350</b>	<b>275</b>	<b>175</b>				<b>175</b>		<b>659</b>

<b>FUNDING SOURCE SCHEDULE (000'S)</b>										
Water Utility Capital Fund	209	350	275	175				175		659
<b>TOTAL</b>	<b>209</b>	<b>350</b>	<b>275</b>	<b>175</b>				<b>175</b>		<b>659</b>

<b>ANNUAL OPERATING BUDGET IMPACT (000'S)</b>										
None										

**Major Changes in Project Cost:**

2007-2011 CIP - increase of \$100,000 to reflect scope changes.  
2008-2012 CIP - increase of \$209,000 to reflect scope changes.  
2009-2013 CIP - increase of \$100,000 to reflect scope changes.

**Notes:**

**FY Initiated:** 2005-2006 **Redevelopment Area:** N/A  
**Initial Project Budget:** \$250,000 **SNI Area:** N/A  
**Appn. #:** 5167 **USGBC LEED:** N/A



**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**11. Advance System Design**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation funds the design, engineering, and inspection for new developments connecting to the Water Utility System.

**Justification:** This annual allocation is necessary to accommodate ongoing development and the expenditures are reimbursed by developers.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Advanced Planning		330	250	240	250	260	270	280	1,300		
TOTAL		330	250	240	250	260	270	280	1,300		
FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		330	250	240	250	260	270	280	1,300		
TOTAL		330	250	240	250	260	270	280	1,300		
ANNUAL OPERATING BUDGET IMPACT (000'S)											
None											

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	4346	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**12. Major Facilities Fee Administration**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation provides funding to administer the Major Facilities Fund. The Major Facilities Fund receives fees associated with the connection and operation of municipal water activities for major water facilities constructed in the North San José, Evergreen, Alviso, Edenvale, and Coyote Valley areas.

**Justification:** A small allocation is required to administer the Major Facilities Fund.

**EXPENDITURE SCHEDULE (000'S)**

Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Program Management		15	15	15	15	15	15	15	75		
<b>TOTAL</b>		<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>75</b>		

**FUNDING SOURCE SCHEDULE (000'S)**

Major Facilities Fund	15	15	15	15	15	15	15	15	75		
<b>TOTAL</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>75</b>		

**ANNUAL OPERATING BUDGET IMPACT (000'S)**

None

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	5369	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**13. Master Plan Engineering**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This ongoing allocation is used to update the Water System Master Plan based on anticipated development and customer consumption data.

**Justification:** This project is needed to update system-wide plans.

EXPENDITURE SCHEDULE (000'S)										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Master Plan/Study		103	103	85	90	95	100	100	470	
<b>TOTAL</b>		<b>103</b>	<b>103</b>	<b>85</b>	<b>90</b>	<b>95</b>	<b>100</b>	<b>100</b>	<b>470</b>	
FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund		103	103	85	90	95	100	100	470	
<b>TOTAL</b>		<b>103</b>	<b>103</b>	<b>85</b>	<b>90</b>	<b>95</b>	<b>100</b>	<b>100</b>	<b>470</b>	
ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	4349	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**14. Network System Flow Improvements**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** Computer analysis of the water distribution system is used to determine available flow at the fire hydrants. Modeling of the system's reservoirs, pump stations, and distribution facilities is done using the University of Kentucky's water system analysis software.

**Justification:** This allocation identifies water mains for network flow improvements on an ongoing basis. This information is used to schedule replacement of existing facilities, or construct new facilities that will upgrade pressure and volume for flow during maximum demand.

EXPENDITURE SCHEDULE (000'S)										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Advanced Planning		32	32	5	6	6	6	6	29	
<b>TOTAL</b>		<b>32</b>	<b>32</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>29</b>	

FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund		32	32	5	6	6	6	6	29	
<b>TOTAL</b>		<b>32</b>	<b>32</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>29</b>	

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**  
N/A

**Notes:**  
Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	4350	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**15. Preliminary Engineering**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	Ongoing
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	Ongoing
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This allocation provides funds for project development in early stages of planning.

**Justification:** This allocation facilitates cost-effective planning of the Municipal Water System infrastructure.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Advanced Planning		65	65	65	70	75	80	85	375		
TOTAL		65	65	65	70	75	80	85	375		
FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		65	65	65	70	75	80	85	375		
TOTAL		65	65	65	70	75	80	85	375		
ANNUAL OPERATING BUDGET IMPACT (000'S)											
None											

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

<b>FY Initiated:</b>	Ongoing	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	4952	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**16. System Maintenance/Repairs**

**CSA:** Environmental and Utility Services **Initial Start Date:** Ongoing  
**CSA Outcome:** Reliable Utility Infrastructure **Revised Start Date:**  
**Department:** Environmental Services **Initial Completion Date:** Ongoing  
**Council District:** 2, 4, 7, 8 **Revised Completion Date:**  
**Location:** System-wide

**Description:** This allocation funds emergency and miscellaneous repairs in the distribution system.

**Justification:** The distribution system requires repairs as a result of line breakage or valve malfunction. This project will provide for repairs to avoid property damage and restore service promptly.

EXPENDITURE SCHEDULE (000'S)										
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year
Equipment		483	483	520	540	560	580	600	2,800	
<b>TOTAL</b>		<b>483</b>	<b>483</b>	<b>520</b>	<b>540</b>	<b>560</b>	<b>580</b>	<b>600</b>	<b>2,800</b>	
FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund		483	483	520	540	560	580	600	2,800	
<b>TOTAL</b>		<b>483</b>	<b>483</b>	<b>520</b>	<b>540</b>	<b>560</b>	<b>580</b>	<b>600</b>	<b>2,800</b>	
ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**

N/A

**Notes:**

Project schedule dates and selected budget information are not provided due to the ongoing nature of this project.

**FY Initiated:** Ongoing **Redevelopment Area:** N/A  
**Initial Project Budget:** **SNI Area:** N/A  
**Appn. #:** 5876 **USGBC LEED:** N/A

# Water Utility System Capital Program

## 2009-2013 Adopted Capital Improvement Program

### Detail of Capital Projects

#### 17. Loan Repayment to Sewage Treatment Plant Connection Fee Fund

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	3rd Qtr. 2004
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
	Safe, Reliable, and Sufficient Water Supply	<b>Initial Completion Date:</b>	3rd Qtr. 2013
<b>Department:</b>	Environmental Services	<b>Revised Completion Date:</b>	
<b>Council District:</b>	N/A		
<b>Location:</b>	N/A		

**Description:** This allocation funds the repayment of a Sewage Treatment Plant Connection Fee Fund loan used for construction of water system facilities in the Coyote Valley pursuant to the Master Development Agreement.

**Justification:** Repayment of the loan, needed to fund improvements in the Coyote Valley, is necessary per loan agreements.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Transfer to Other Fund	2,100	700	700	1,000	1,000	1,000	1,000	200	4,200		7,000
TOTAL	2,100	700	700	1,000	1,000	1,000	1,000	200	4,200		7,000

FUNDING SOURCE SCHEDULE (000'S)										
Water Utility Capital Fund	2,100	700	700	1,000	1,000	1,000	1,000	200	4,200	7,000
TOTAL	2,100	700	700	1,000	1,000	1,000	1,000	200	4,200	7,000

ANNUAL OPERATING BUDGET IMPACT (000'S)										
None										

**Major Changes in Project Cost:**

2009-2013 CIP - increase of \$350,000 to reflect the pooled interest for the life of the loan.

**Notes:**

Interest rate for the loan is set at the City's pooled investment rate. Payment schedule assumes annual payments of \$1,000,000 and a pooled interest rate of 2.7% on the unpaid balance for the life of the loan.

<b>FY Initiated:</b>	2004-2005	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>	\$6,650,000	<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	0100	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**18. Reserve for System Growth Related Projects**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	N/A
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	N/A
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This reserve sets aside funds for acquisition of property and the construction of facilities to accommodate future system growth and development.

**Justification:** With new growth and development, additional land and water facilities such as pump stations and reservoirs will be necessary to expand the system.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Reserve		1,400		1,400					1,400		1,400
<b>TOTAL</b>		<b>1,400</b>		<b>1,400</b>					<b>1,400</b>		<b>1,400</b>

FUNDING SOURCE SCHEDULE (000'S)											
Major Facilities Fund		1,400		1,400					1,400		1,400
<b>TOTAL</b>		<b>1,400</b>		<b>1,400</b>					<b>1,400</b>		<b>1,400</b>

ANNUAL OPERATING BUDGET IMPACT (000'S)											
None											

**Major Changes in Project Cost:**

None

**Notes:**

<b>FY Initiated:</b>	2002-2003	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	8892	<b>USGBC LEED:</b>	N/A



**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Detail of Capital Projects**

**19. Reserve for System Rehabilitation/Replacement**

<b>CSA:</b>	Environmental and Utility Services	<b>Initial Start Date:</b>	N/A
<b>CSA Outcome:</b>	Reliable Utility Infrastructure	<b>Revised Start Date:</b>	
<b>Department:</b>	Environmental Services	<b>Initial Completion Date:</b>	N/A
<b>Council District:</b>	2, 4, 7, 8	<b>Revised Completion Date:</b>	
<b>Location:</b>	System-wide		

**Description:** This reserve sets aside funds for rehabilitation and/or replacement of existing facilities.

**Justification:** Existing facilities, such as pipelines, pump stations and reservoirs, will eventually need replacement or rehabilitation. This reserve allows funds to accumulate for this purpose consistent with Ordinance No. 26903.

EXPENDITURE SCHEDULE (000'S)											
Cost Elements	Prior Years	2007-08 Appn.	2007-08 Estimate	2008-09	2009-10	2010-11	2011-12	2012-13	5-Year Total	Beyond 5-Year	Project Total
Reserve		1,789		1,326	693	194	210	230	2,653		2,653
<b>TOTAL</b>		<b>1,789</b>		<b>1,326</b>	<b>693</b>	<b>194</b>	<b>210</b>	<b>230</b>	<b>2,653</b>		<b>2,653</b>

FUNDING SOURCE SCHEDULE (000'S)											
Water Utility Capital Fund		1,789		1,326	693	194	210	230	2,653		2,653
<b>TOTAL</b>		<b>1,789</b>		<b>1,326</b>	<b>693</b>	<b>194</b>	<b>210</b>	<b>230</b>	<b>2,653</b>		<b>2,653</b>

ANNUAL OPERATING BUDGET IMPACT (000'S)											
None											

**Major Changes in Project Cost:**

None

**Notes:**

Reserve reduced by \$500,000 in 2008-2009 to fund acceleration of the North First Street Parallel Main - Phase III. Reserve allocation in 2009-2010 will be increased by \$500,000 to restore funding.

<b>FY Initiated:</b>	2003-2004	<b>Redevelopment Area:</b>	N/A
<b>Initial Project Budget:</b>		<b>SNI Area:</b>	N/A
<b>Appn. #:</b>	8011	<b>USGBC LEED:</b>	N/A

**Water Utility System Capital Program**  
**2009-2013 Adopted Capital Improvement Program**  
**Summary of Projects that Start after 2008-2009**

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<b>Project Name:</b> Bon Bon Drive Main Replacement	<b>Council District:</b> 8
<b>5-Year CIP Budget:</b> \$1,000,000	<b>Estimated Start Date:</b> 3rd Qtr. 2010
<b>Total Budget:</b> \$1,000,000	<b>Estimated End Date:</b> 3rd Qtr. 2012
<b>USGBC LEED</b> N/A	

**Description:** This project includes the replacement and relocation of approximately 1,650 feet of 8-inch steel water main.

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<b>Project Name:</b> Castleton Drive Main Replacement	<b>Council District:</b> 8
<b>5-Year CIP Budget:</b> \$900,000	<b>Estimated Start Date:</b> 3rd Qtr. 2009
<b>Total Budget:</b> \$900,000	<b>Estimated End Date:</b> 2nd Qtr. 2011
<b>USGBC LEED</b> N/A	

**Description:** This project replaces and relocates an existing water main on Castleton Drive.

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<b>Project Name:</b> Gumdrop Drive Main Replacement	<b>Council District:</b> 8
<b>5-Year CIP Budget:</b> \$100,000	<b>Estimated Start Date:</b> 3rd Qtr. 2012
<b>Total Budget:</b> \$1,330,000	<b>Estimated End Date:</b> 2nd Qtr. 2014
<b>USGBC LEED</b> N/A	

**Description:** This project includes the replacement and relocation for approximately 2,050 feet of 8-inch steel water main on Gumdrop Drive, Almond Drive, and Coconut Drive.

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<b>Project Name:</b> Peppermint Drive Main Replacement	<b>Council District:</b> 8
<b>5-Year CIP Budget:</b> \$1,265,000	<b>Estimated Start Date:</b> 1st Qtr. 2012
<b>Total Budget:</b> \$1,265,000	<b>Estimated End Date:</b> 4th Qtr. 2013
<b>USGBC LEED</b> N/A	

**Description:** This project includes the replacement and relocation of approximately 1,300 feet of 8-inch steel water main on Peppermint Drive along with 170 feet of main on Taffy Drive.